



PROPOSED TRUSTEE AND COMMITTEE REMUNERATION POLICY FOR APPROVAL BY THE MEMBERS AT THE ANNUAL GENERAL MEETING TO BE HELD ON 28 AUGUST 2024.

Background information

This document establishes a policy for the compensation of Board and Committee members for the time, input, and responsibility that they bear as an official of the Scheme. The King IV report on corporate governance was considered in the preparation of this policy.

The role of a Trustee is akin to that of a non-executive director. This means that the role of the Trustee is primarily one of strategic oversight dealing with long term sustainability issues. The Trustee is therefore responsible for providing creative and informed contributions to the Board and to act as a constructive critic in looking at the objectives and plans devised by the Scheme's executive team. Trustees carry personal liability to the members for this oversight role.

Fees vary according to the expertise and responsibility required from the Trustee or Committee member. Fees for a Board or Committee Chair therefore carry a premium over an ordinary member's fee.

As a not profit entity, the Scheme needs to be economical in its approach to non-healthcare expenditure whilst ensuring the Scheme's good governance, sustainability, and quality.

Proposed Structure for 2024

In 2023 the Remuneration Committee conducted a benchmarking exercise to ensure that the remuneration structure of the Scheme would afford it the ability to attract and retain the necessary skill and expertise on its Board and Committees. Following this review, the Remuneration Committee recommend that the Scheme adjust its Trustee remuneration by the forecast CPI for 2024 of 5%. The Committee further recommends that the Scheme align its remuneration for Committee members to the rates published in the Institute of Directors South Africa (IoDSA) Non-Executive Directors' Fee Guide (9th edition) based on the reported average within the lowest quartile of JSE AltX companies.

The proposed structure recommended by the Remuneration Committee for approval by the members at the AGM is therefore as follows:

	Fee per meeting approved at 2023 AGM		Proposed fee per meeting from after the 2024 AGM	
	Member	Chair	Member	Chair
Board of Trustees	R2 220	R3 329	R2 330	R3 500
Audit and Governance Committee	R2 220	R3 329	R5 790	R8 710
Nominations and Advisory Committee	R2 220	R3 329	R3 690	R5 810
Remuneration Committee	R2 220	R3 329	R3 860	R5 810
Other Committees	R2 220	R3 329	R4 000	R5 360

Terms and conditions applicable to meeting fees:

1. If approved, this policy becomes effective from the first meeting after the 2024 Annual General Meeting.

2. This policy is applicable to all Trustees and Committee members formally appointed by the Scheme.
3. Trustees and Committee members may waive these meeting fees if they have other internal arrangements with their employers. Trustees and Committee members who are employed by participating employer group must consult their employer's human resources department in determining whether they are required to waive such meeting fees. Trustees and Committee members must notify the Scheme Secretary of such waiver in writing after each AGM.
4. The per meeting fee structure will also apply as a daily fee for any special meetings called in accordance with the Scheme's rules and policies.
5. Trustees and Committee members may not charge a meeting fee for attending the Scheme's AGM.
6. Travel costs will be reimbursed at the SARS prescribed rates. This is only applicable to members who do not already qualify for travel allowances through their employer.
7. In accordance with the Scheme's policies in avoiding conflicts of interest, no other fees will be paid in respect of consulting or other services performed by Trustees.
8. To qualify for these fees committee members will be required to complete induction and governance training as defined by the Scheme.
9. Fees will not be paid for non-attendance.
10. Persistent late coming could, at the discretion of the meeting Chair, result in the non-payment or partial payment of the meeting fee.
11. The attendance, contribution and performance of the Trustees and Committee members shall be reviewed annually by the Nominations and Advisory Committee and formal feedback shall be given to the Board of Trustees ahead of the Scheme's AGM.